

## Message Text

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70

ACTION EUR-12

INFO OCT-01 ISO-00 AID-05 CEA-01 CIAE-00 COME-00 EB-07

EA-07 FRB-03 INR-07 IO-13 NEA-10 NSAE-00 USIA-06

OPIC-03 SP-02 TRSE-00 CIEP-01 LAB-04 SIL-01 AGRE-00

OMB-01 DODE-00 PM-04 H-02 L-03 NSC-05 PA-01 PRS-01

SS-15 XMB-02 /117 W

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R 231514Z NOV 76

FM USMISSION OECD PARIS

TO SECSTATE WASH DC 4407

INFO USMISSION EC BRUSSELS

LIMITED OFFICIAL USE OECD PARIS 34693

PASS TREASURT AND COMMERCE (DAUMAN)

E.O. 11652: N/A

TAGS: EINV, EFIN, OECD

SUBJECT: PURSUIT OF FRENCH RESTRICTIONS ON DIRECT  
INVESTMENT IN INVISIBLES COMMITTEE

REF: OECD PARIS 30936

1. PARA 12 OF REFTEL REQUESTED GUIDANCE ON WHETHER  
U.S. REP TO INVISIBLES COMMITTEE (IC) SHOULD PURSUE  
QUESTIONS INVOLVING FRENCH PRACTICES CONCERNING FOREIGN  
DIRECT INVESTMENT. AS NEXT MEETING OF IC BEGINS MONDAY,  
NOVEMBER 29, REPLY REQUESTED BY C.O.B. NOVEMBER 26.

2. FYI. RECENT FRENCH PRESS REPORTS WITH RESPECT TO  
CHATEAU-MARGAUX CASE SUGGEST THAT GOF, WHILE OPPOSED  
TO TRANSFER TO U.S. BUYER, WOULD PERMIT ITS SALE TO  
A FIRM OF ANOTHER EC COUNTRY. EVEN IF WE TAKE UP THIS  
CASE IN IC, IT MAY BE TACTICALLY UNWISE TO RAISE THE  
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POSSIBLE QUESTION OF DISCRIMINATION IN FAVOR OF EC,

SINCE THE GENERAL QUESTION OF INTERPRETATION OF ARTICLES  
9 AND 10 OF OECD CODES (COVERING NON-DISCRIMINATION  
PRINCIPLE AND EXCEPTION FOR SPECIAL CUSTOMS AND MONETARY  
SYSTEMS) IS BEING ADDRESSED CONCURRENTLY--SEE PARA 6 OF  
REFTEL. HOWEVER, FRENCH WOULD HAVE GREAT DIFFICULTY  
IN MAINTAINING TRADITIONAL LINE--THAT APPLICATIONS OF  
PROSPECTIVE FOREIGN INVESTORS ARE NEVER REFUSED  
EXCEPT IN CASES OF SPECIAL SENSITIVITY REGARDING  
PRESERVATION OF NATIONAL OWNERSHIP OR PROTECTION OF  
CERTAIN DOMESTIC INFANT INDUSTRIES--IF THEY WERE TO  
APPROVE SALE OF CHATEAU-MARGAUX TO FIRM OF ANOTHER EC  
COUNTRY.

TURNER

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** FOREIGN INVESTMENT, COMMITTEE MEETINGS, MEETING REPORTS, INVESTMENT OPPORTUNITIES, FINANCIAL PROGRAMS, INVISIBLES (BALANCE OF PAYMENTS)  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 23 NOV 1976  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** ElyME  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1976OECDP34693  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D760436-0709  
**From:** OECD PARIS  
**Handling Restrictions:** n/a  
**Image Path:**  
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**Legacy Key:** link1976/newtext/t19761123/aaaaastx.tel  
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**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ACTION EUR  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** 76 OECD PARIS 30936  
**Review Action:** RELEASED, APPROVED  
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**Review Content Flags:**  
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**TAGS:** EINV, EFIN, US, FR, OECD  
**To:** STATE  
**Type:** TE  
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